



HEADQUARTERS, UNITED STATES FORCES, KOREA

Unit # 15237
APO AP 96205-5237

REPLY TO
ATTENTION OF

FKCC

2011. 3. 07

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: US Forces Korea (USFK) Command Policy Letter #48, Excessive Purchasing of Duty-Free Goods and Black Marketing

1. This policy supersedes USFK Command Policy Letter #48, Black Marketing, dated 25 Aug 08. It shall remain in effect until rescinded or superseded.
2. References:
 - a. Agreement Under Article IV of the Mutual Defense Treaty Between the United States of and the Republic of Korea, Regarding Facilities and Areas and the Status of United States Armed Forces in the Republic of Korea, February 9, 1967 (SOFA) as Amended, Article IX and Article XIII, Agreed Minute.
 - b. USFK Regulation 60-1, Ration Control Policy – Access to Duty-Free Goods, 7 Nov 03.
 - c. USFK Regulation 643-2, Transfers of Duty-Free Items, 1 Sep 10
 - d. USFK Command Policy Letter #5, Community Outreach/Good Neighbor Program, 8 Aug 06.
3. This policy letter applies to all United States Forces Korea (USFK) military members, civilian employees, invited contractors, technical representatives, their family members, and all other personnel authorized to purchase duty-free goods in facilities on USFK installations and bases.
4. USFK members are subject to the laws and regulations administered by the customs authorities of the Republic of Korea. The Republic of Korea, through the US-ROK Status of Forces Agreement (SOFA), extends to USFK the privilege of shipping items into the country duty-free – that is without fees, taxes, or tariffs. We, in turn, have agreed to provide these items exclusively to military and civilian government personnel, invited contractors, and their immediate family members. USFK is obliged to prevent the abuse of such privileges. Failure to comply with the SOFA jeopardizes this privilege and damages our image in the eyes of our host nation. Compliance supports the intent of the Good Neighbor Program by fostering a positive image, demonstrating our commitment to values, and preventing negative incidents.
5. An excessive purchase of duty-free goods takes place when an otherwise authorized individual purchases duty-free goods in excess of his or her personal needs. When it occurs, it raises an inference that the excessive amounts are intended for black marketing which must be evaluated "case by case". Black marketing is the illegal transfer or resale of duty-free goods to persons who are not otherwise entitled to them. The black market is supplied through the illegal

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diversion of goods. In order to prevent black marketing, USFK Regulation 60-1, "Ration Control Policy" prohibits USFK personnel identified in this policy letter from purchasing duty-free goods in excess of personal needs and the needs of immediate family members.

6. Required actions:

a. All personnel will adhere to the requirements of USFK Regulation 60-1 and only purchase duty-free goods for themselves and their immediate family members, or as a bona fide gift that meets the criteria established in USFK Regulation 643-2, "Transfers of Duty-Free Items".

b. Duty-free goods transferred between SOFA personnel and non-SOFA personnel will be IAW USFK Regulation 643-2.

c. All personnel are asked to report incidents of suspected black marketing activity to their chain of command, local law enforcement officials, or the USFK Black Market Hotline at DSN 738-5118 or blackmarkethotline@korea.army.mil.

7. Individuals who violate ROK customs laws are subject to criminal prosecution by ROK authorities. Persons subject to the Uniform Code of Military Justice (UCMJ) who fail to comply with the provisions of this policy are subject to punishment under the UCMJ, as well as to other adverse action authorized by applicable laws and regulations. Persons not subject to the UCMJ who fail to comply with the provisions of this policy, may be subject to adverse administrative sanctions, including, but not limited to, revocation of privileges as authorized by applicable laws and regulations or possible curtailment of overseas assignment.

8. Questions regarding this policy should be referred to the Customs Division, Office of the USFK Provost Marshal, 738-5110.



WALTER L. SHARP
General, U.S. Army
Commander

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